THE HON'BLE SRI JUSTICE L.NARASIMHA REDDY

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WRIT PETITION No.18655 OF 2005

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Between:

M/s.Drans Field Agencies . . .Petitioner

And

The Superintendent, Osmania General Hospital,

Hyderabad, and others . . .Respondents

THE HON'BLE SRI JUSTICE L.NARASIMHA REDDY

–

WRIT PETITION No.18655 OF 2005

O R D E R:

The first respondent issued a tender notice, dated 05-07-2005, inviting tenders for awarding the contract for undertaking Pest Control Services in the hospital for a period of one year. The petitioner submitted its tender quoting a sum of Rs.21,900/-. The petitioner contends that though conditions 3 and 5 of the tender notice are specific to the effect that only those agencies, which are registered with the Labour Department, are eligible to participate in the bid, the respondents have entertained the tenders of some agencies, which do not hold such registration or license. The respondents filed counter-affidavit stating that an agency, by name, M/s.Vega Pest Control Services, has quoted a sum of Rs.9,600/-, less than half of the one quoted by the petitioner and on account of the interim orders obtained by the petitioner, they were prevented from assigning the contract. The hardship faced on account of the non-finalisation of the matter is also pointed out.

Sri Ch.Janardhan Reddy, learned counsel for the petitioner has stressed on the compliance with conditions 3 and 5 of the tender notice. According to him, the tender of any agency, which does not have registration with the Labour Department, cannot be permitted to submit the tender at all. At the first blush, this contention may appear reasonable and acceptable having regard to the language employed in the respective clauses. However, identical situation came to be considered by a Division Bench of this Court in **A.SREERAMULU v. SUPERINTENDING ENGINEER, R&B** in relation to award of civil contracts. It was held that even if a condition as to registration or existence of license is stipulated in a tender notice, the condition by itself does not preclude the agencies, which do not hold such registration or license from participating in

the bid. It was observed that the stage, where the existence of such registration or license is to be verified, is the one at the time of awarding the contract. In view of the same, no exception can be taken to the action of the respondents in considering the tenders of agencies, which do not have the registration with the Labour Department. At the same time, they must ensure that the contract is awarded only to those agencies, which hold such registration. In other words, if, during the *interrugnum*, an agency is able to secure the registration or license, the respondents can certainly award the contract based on the quantum of amount quoted by them.

For the foregoing reasons, the writ petition is disposed of directing that the respondents shall be entitled to award the contract only to such agencies, which are registered with the Labour Department by the time, the contract is awarded. There shall be no order as to costs.

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(L.NARASIMHA REDDY, J)

9th NOVEMBER, 2005.

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